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Colorado Initiative Strategic Plan

July 29, 1994

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COLORADO STRATEGIC PLAN

Overview and Status

Anti-tobacco activists have assembled a substantial coalition entitled "Fair Share for Health Committee" using federal ASSIST funds. The Fair Share for Health Committee was created last year to construct an initiative that would have broad impact on the future of tobacco sales and use in the state. The initiative, which received final approval for circulation earlier this year, calls for a 50-cent per pack increase in cigarette taxes, the repeal of the state sales tax pre-emption and the encouragement of local jurisdictions to enact their own taxes on tobacco as well as restrictions on the sale and use of the product. Revenue from this measure would be dedicated to funding for indigent care as well as a wide variety of anti-tobacco activities.

Opposition Activities

Proponents continue to gather signatures for their measure. They are expected to file the necessary 49,451 signatures by the August 8, deadline. Should the Secretary of State determine that their petitions lack a sufficient number of valid signatures, they will receive a 15 day cure period to rectify the deficiency.

The opposition has employed several tactics to gather the necessary signatures. We have seen relatively little of their initial strategy which relied on a volunteer pyramid structure. It is likely that this effort did not yield the results they anticipated. We have, through our contacts and industry employees, observed the proponents gathering signatures at high traffic locations such as supermarkets and shopping centers. We do not know the extent to which any of these circulators were paid for their work. Most recently, the proponents have used their allies in the media to generate public awareness for their effort.

The opposition coalition has received approval for a multi-year grant from the Robert Wood Johnson Foundation that will dedicate \$600,000 to anti-tobacco television advertising between September 15 and November 15, 1994. The opposition will also receive substantial free media time provided by stations in response to our campaign. We can anticipate that the opposition will receive assistance and support from media outlets and reporters due to our opposition to the initiative.

The opposition has created a complex but legal set of overlapping structures and leadership that allows them to maximize the use of taxpayer dollars for their effort without violating the law. While we continue to challenge the legality of some of these activities, it is clear that this effort will result in an overall well-financed campaign.

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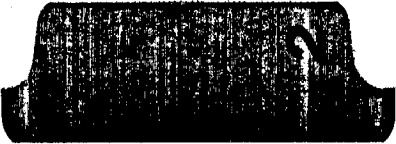
Proactive and Defensive Activities

The industry has been successful in the employment of a wide variety of legal and procedural strategies that have resulted in avoiding similar issues in past election cycles. While these approaches were also employed during this cycle, the proponents have become increasingly knowledgeable about the process and have avoided the mistakes of past proponent groups.

Since it appears likely that we will need to mount a defensive campaign to defeat this measure in the November elections, we have started to assemble both the necessary personnel and information. We continue to seek information through open record requests about the activities of the Department of Health Services (DHS) and their administration of ASSIST monies. The research in this area continues to provide us with political fodder. Through this process, there is a possibility that we may find enough transgressions of appropriate behavior to launch a legal challenge to these activities.

In making a decision about the efficacy of launching a defensive campaign, we have commissioned two benchmark surveys and two pairs of thematic focus groups aimed at defining a conservative estimate of our chances of winning in November. Combined with a healthy skepticism from our experiences in Massachusetts and elsewhere, we have sought to approach the Colorado dilemma with some degree of conservatism.

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IMPORTANT NOTES

Strategy

Survey Research

The combined data from our focus groups and our benchmark surveys indicates that the defeat of this initiative is attainable by motivating a coalition of voters including smokers, conservatives and voters outside the Denver area to vote. The surveys indicate, as most surveys have in the past, that higher education and economic status voters continue to be highly motivated in favor of this approach.

The surveys also indicate that several themes strike chords among the voters we need to motivate to cast ballots in our favor. Voters are concerned about the potential waste of money in DHS and how this money will be spent once the tax is levied. Voters can also be motivated to cast negative ballots based on the correlation between advocates of the tax and those individuals and groups who stand to gain from the proceeds of the tax. Secondary themes include those that can serve to motivate the portions of the "persuadable" category which we need to win. These themes include the extent to which this measure goes too far, the question of whether taxing one group to pay for the needs that all society should be responsible for, etc.

It is clear that the combined data indicates that a successful campaign is possible. Additional research will be necessary at the point we begin to launch our message through television and radio. Topline survey results were previously distributed.

Strategy Statement

The Fair Share for Health Committee's tobacco tax increase proposal can be defeated by communicating with distinct voter groups using messages that identify the extreme nature of the measure, the history of waste and abuse among those who stand to benefit from the expenditure of the revenues, and the relative unfairness of using one group to finance the needs that are a responsibility of the state as a whole. The campaign must capitalize on the cynicism about the government and its bureaucracy, as well as the strong anti-tax sentiment.

To assemble the necessary majority to defeat this measure, we must motivate an overwhelming majority of tobacco consumers, a sizeable majority of persuadable voters who are not extreme in their views about tobacco, and a minor percentage of voters who are "unreachable" in that they believe that more should be done to impact tobacco use.

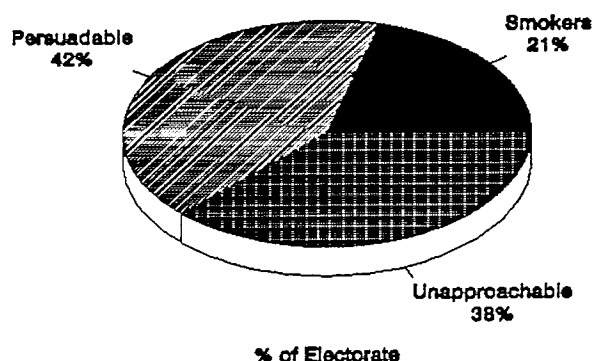
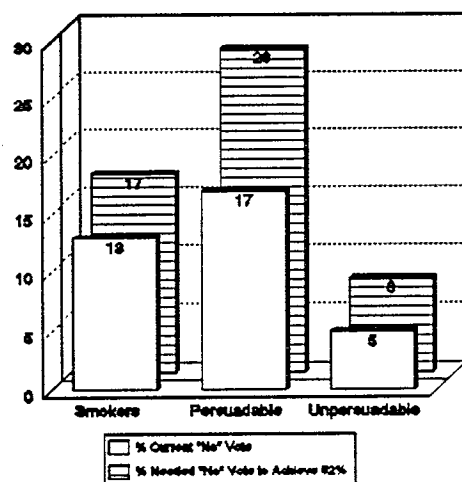
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Our goal is to get 52% of those voters who will cast ballots in this election to vote against the initiative.

The following chart reflects the pollsters analysis of the necessary coalition, the percentage of the voting population that they represent, and the percentage of those groups who are currently opposed to the pending measure. This analysis is reflected in the survey ballot test question and the increased percentage of those groups that we need to achieve a majority vote in opposition to the measure.

	% of Electorate	Current "No" Vote	Needed "No" Vote
Smokers	21	64	80
Persuadable	42	40	66
Unapproachable	38	13	20

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Tobacco Consumers

Consumers represent approximately 21% of the electorate. The survey data indicates that roughly 64% of those consumers are currently voting against the proposal. We believe we can achieve a level of opposition in excess of 80% as we have done in other electoral situations.

The industry has identified 88,283 active cigarette consumers on lists previously used for a variety of public policy purposes. The survey research indicates that there are as many as 389,000 tobacco consumers registered to vote in the state. The strategy and tactics aimed at mobilizing this constituency is centered around a methodical identification of these voters and ensuring their turnout on election day.

Experience from past campaigns has taught us a variety of tactics which can help us achieve the necessary percentage of tobacco consumers casting votes against this measure. Industry consumer lists provide us a solid base with which to begin; however, they do not represent nearly enough raw votes to achieve the numbers we need. As a consequence, we need to employ additional means of identifying tobacco consumers and ensuring that both they and those on the industry lists are registered to vote and are fully informed as to the impact of this measure.

We will begin by first matching the industry list with the registered voter list to determine which of our identified consumers are currently not registered to vote. Unregistered consumers will receive information via direct mail to inform them how and encourage

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them to register. The voter identification telephone bank script will include a question concerning tobacco use to determine consumers who are not part of the industry data base. All identified consumers will receive a mail piece tailored to both the issues that are primary to motivating consumers to vote "no", and the specific impact of the implementation of this tax on the consumers.

All identified consumers will become part of the universe of voters who receive encouragement to vote against the measure prior to election day. The following is a summary of themes to be used for tobacco consumers:

- ▶ The initiative includes too many increases;
- ▶ The tax increases are too large;
- ▶ It is unfair to single out smokers to pay for programs that are the responsibility of the entire state.

Persuadable Voters

The survey indicates that the largest group of voters who can be convinced to vote against this initiative are those non-smokers who hold moderate views on the government's role in regulating tobacco and smoking. These voters respond well to the anti-tax and anti-bureaucracy messages. Unfortunately, the data indicates that they are not easily definable in any demographic, socio-economic, or geographic category.

Persuadable voters represent 42% of the electorate and we are currently achieving a 40% no vote among that group. In order to achieve victory, we need to increase the "no" vote among this group to 66%.

Persuadable voters will be reached in two ways. First, they will be identified through the telephone bank using a series of issue "push" questions which will allow us to communicate with them on those themes which are most likely to push them to cast a "no" vote. Telephone banks have a limited ability to reach all voters in that not all registered voter households can be effectively matched with telephone numbers and because even with repeated attempts it is difficult to reach all households with matched numbers. We have estimated that we can match and reach roughly 42% of the registered voter households. Since the telephone bank will be the primary identification of voters who receive direct mail, roughly 58% of the electorate and voters in this category will need to be reached by a secondary method. Identified undecided voters will receive direct mail communication tailored to their responses to the telephone bank push questions. For example, if the voter responds more favorably to information about the waste and abuse

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in the Department of Health, the mail piece that household receives will focus on this issue. Alternatively, a voter could respond more favorably to the comparison of misused funds in California, at which point that household would receive direct mail communication focusing on this issue. It is impossible at this point in time to predict exactly which of the push questions will resonate with that of the registered voters.

Second, those who are unreachable through the phone bank will be addressed through the electronic media, which will also serve to support the messages of the direct mail for both persuadables and consumers.

The survey indicates that persuadable voters respond to the following arguments:

- ▶ There are details hidden in the initiative that proponents do not want voters to know about;
- ▶ The revenue from tax increases just end up being wasted;
- ▶ Those in control of pushing this initiative should not receive the money;
- ▶ The proponents have used money in the past for hotel bills, catered lunches and banquet dinners;
- ▶ It is unfair to single out one group to pay for programs that are the responsibility of the entire state;
- ▶ The initiative dedicates \$1.32 million for overhead and salaries;
- ▶ A similar measure in California used revenues to sponsor race cars and support a cheerleader team;
- ▶ The Department of Health has a history of wasteful spending.

Unreachable Voters

A sizeable percentage of the Colorado electorate, roughly 38%, believes that more needs to be done to curb tobacco use. Those people are therefore categorized for the purposes of our strategy as "unreachable" voters. These are voters who are most likely to respond favorably to the themes presented by the proponents of the initiative. As it is unlikely that we can achieve 100% of our base to vote "no", it is equally unlikely that the opposition can deliver their base in its entirety. Therefore, our strategy equation includes

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achieving a negative vote from a relatively small percentage of this segment of the electorate. We are currently achieving a 13% "no" vote from this group and we are projecting to increase that percentage to 20%.

While these voters would normally side against us on tobacco issues, they share views on taxes and bureaucracy that are similar to those voters in the persuadable category. Roughly 31% believe they would vote against all taxes. They are substantially moved by the notion of waste and abuse in the bureaucracy. Nearly 47% agree with the notion that smokers should not be singled out to pay for programs that are the responsibility of society as a whole. Our goal for achieving a "no" vote from this category is 20%. It would seem that our goal is achievable through communicating largely the same messages that will be delivered to the persuadable voter category with careful segmentation through the phone bank.

To reach the "unreachable" voters, we will rely on similar means as those that are being used for persuadable voters. The telephone bank voter identification procedure will identify those unreachable voters who can be pushed by various issues. These voters will receive direct mail communication that will reinforce these issues in hopes of solidifying their position against the measure. Those voters who we are not able to identify through the phone bank will be reached largely by electronic media.

The following themes will be used for the unreachable voters:

- ▶ It is unfair to single out one group to pay for programs that are the responsibility of the entire state;
- ▶ The revenues from tax increases just ends up being wasted;
- ▶ The measure just goes too far.

Coalitions

The campaign will attempt to attract organized allies to join the effort against the tobacco tax increase. These allies will be asked to accomplish two goals: first, they will be incorporated into our overall earned media program aimed at presenting a broad based opposition to the tax increase proposal through the media. Second, they will be asked to communicate with their membership to encourage a negative vote on the proposal on election day.

Traditionally, the industry has had difficulty incorporating diverse groups in its fight against tobacco tax increases. Some groups share our view against tax increases, but are divided

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in their view on tobacco issues and are therefore unable to join our effort. Other groups are simply fearful of being associated with the tobacco industry and the associated negative publicity. Traditional ally groups, including those relating to industries directly and indirectly affected by the tobacco economy, will be our first priority in coalition building. Our second priority in coalition building will be to attempt to reach out to the variety of anti-tax and anti-government groups including those organized elements of the Perot Coalition.

Our tactical approach to assemble this coalition will be to identify the appropriate leadership individuals of the potential ally groups, identify the appropriate arguments for their participation in our coalition, and attempt to directly enlist their assistance in our effort. In certain cases, the only way to ensure their communication with their membership is to provide the funding necessary for that communication. Funding for this is covered under the Coalition Development section.

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IMPORTANT NOTES

Tactical Summary

As partially outlined in the above strategic discussion, a variety of overlapping tactics will be used to communicate the messages of the campaign to voters we believe can be encouraged to vote against the initiative. Each of these tactics serve both as a primary message delivery system as well as reinforcement of other delivery systems. Tactics fall into three main categories: Proactive/Environmental, Voter Contact, and Administrative and they are explained as follows:

Proactive/Environmental tactics create the environment in which our campaign has credibility and in which our opponents have difficulty focusing their campaign on their message. While the primary theme of this tactical approach is to make those arguments that will appeal to the news media and the broader electorate, we subtly direct some of the messages to our primary targeted audience as well. Included in this category of tactics are the following items:

Earned Media: The earned media program will target political reporters and editorial boards in an effort to build independent credibility for the themes we want to express in the campaign. Through the use of a professional public relations firm, a paid spokesperson and a volunteer speakers bureau, we can aggressively address both themes which directly affect the mobilization of our voting coalition as well as themes which occupy the opposition in such a way as to divert their attention from the mobilization of their coalition.

Included in the proactive list of themes for the earned media portion of the effort is the development of issues that divide their coalition and that cast doubt on the integrity and potential illegal activity of those leaders of the opponent coalition.

Earned Media Budget: \$ 71,000

Coalition Development: Coalitions provide both a broader credibility to our effort and an ability to communicate with various voter groups through established channels. Coalition leaders can be used in a speakers bureau arrangement to

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present the themes of our campaign in ways that our direct effort may lack credibility. Furthermore, certain coalition partners will be useful in attacking various parts of our opposition coalition as appropriate information becomes available.

Coalition Development Budget: \$160,000

Affected Industry: Corporate partners, sales forces, retailers, wholesalers and various other aspects of the tobacco economy can play a vital role in the establishment of a credible campaign. The affected industry program will be aimed at reaching all of the tobacco economy by soliciting both their opposition to the tax, and their assistance in distribution of our printed collateral material to their customers and other business contacts. The affected industry program is essential in establishing the presence of the campaign through grassroots means.

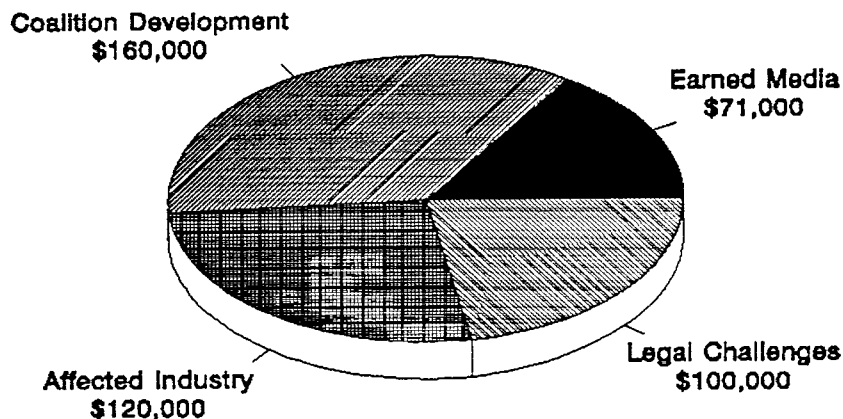
Affected Industry Budget: \$120,000

Legal Challenges: While legal challenges have been used to avoid threatening ballot issues in the past, in this instance the use of legal threats and challenges is aimed at creating media attention for the transgressions of various individuals and agencies that will be involved in the opposition campaign coalition. The potential legal challenges against these individuals could result in their reduced involvement in the campaign as well as additional costs to the opposition.

Legal Challenges Budget: \$100,000

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Proactive/Environmental Tactical Category Total: \$451,000



PROACTIVE/ENVIRONMENTAL TACTICS TOTAL: \$451,000

Voter Contact tactics are aimed directly at specific voters. In this arena we will attempt to direct the messages of the campaign at those voter groups most likely to be receptive to them. In this category you find traditional contact methods of both direct mail and media. Our approach will be to target the mail with specific messages to a precise a voter group as possible. Our media will also be tailored to carry messages broad enough to appeal to all voter groups but delivered through strategic purchasing approaches to specific groups of voters most likely to respond as identified through our survey research. Tactics included in this category are:

Opinion and Issue Research: We will conduct the appropriate opinion and issue research to ensure that our messages continue to be on point and that the factual content of our messages is verified.

Opinion and Issue Research Budget: \$211,000

Voter Identification: A paid telephone bank voter identification program will attempt to contact as many registered voter households as possible with an objective script aimed at identifying voters currently opposed and those who can be "pushed" to oppose the initiative. The phone bank will continually work the registered voter list to achieve maximum efficiency and will re-contact undecided voters as budget constraints allow. The goal of the voter identification program is to specifically develop a list of registered voters who oppose the initiative and who can be encouraged to cast votes against it.

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Voter Identification Budget: \$476,000

Direct Mail: The direct mail program is intended to dovetail with the voter identification program. Voters will receive a preliminary piece introducing the themes of the campaign. The phone bank will identify both initial opponents of the proposal and undecided voters. Once the phone bank has identified those push questions which move the individual voter to opposition, a direct mail piece specifically tailored to those issues will be sent to that voting household. Included in this tactical program is the mail that will be received by consumers who are identified through industry lists and the telephone bank. Also included in this category are the GOTV postcards that all identified opponents of the tax will receive prior to election day.

Direct Mail Budget: \$817,210

Early Voters: Colorado has a unique "early voting" procedure in which voters can go to designated locations in advance of election day and cast their ballot. We anticipate as many as 20% of the Colorado electorate to vote in this fashion. An established list of those who cast early ballots in previous elections will be used in the early stages of the campaign to convey our themes before they cast early ballots again. In addition, voters identified as favorable to our position in the phone bank identification program will be encouraged to vote in this manner. Since our survey research and socio-demographic data indicates that this group of voters is less likely to support our position than other groups, it is essential that early communication be initiated by us to limit the damage to our overall majority that this group of voters could inflict.

Early Voters Budget: \$111,470

Absentee Voters: Those voters identified as favorable to our position, will be encouraged to cast absentee ballots if it can be determined that they are unlikely to cast votes on election day and are identified after the period for early voting.

Absentee Voters Budget: \$62,235

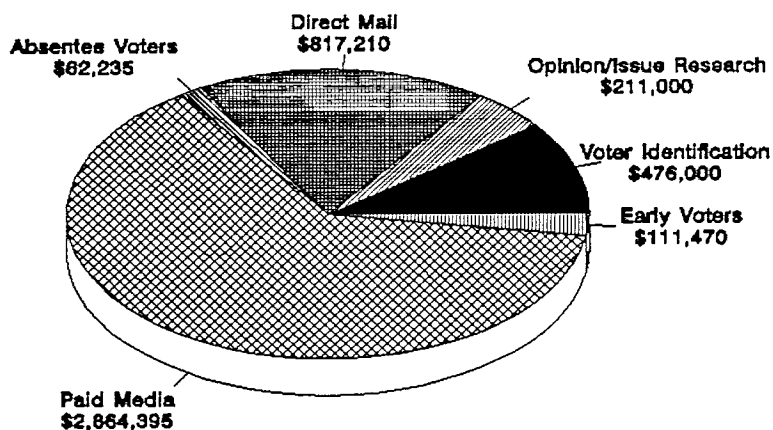
Paid Media: The paid media effort on radio and television will be aimed at creating the overall atmosphere in which the phone banks and direct mail can achieve their impact. Furthermore, the electronic campaign will serve to reach those voters of all categories that are generally unreachable or unpersuaded by the direct mail and earned media efforts. While the messages of this approach must be broad enough to appeal to various voter groups, the delivery of those

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messages will be targeted. We will carefully select our electronic media purchases to ensure that our message is delivered to our target audience through both broadcast and cable channels.

Paid Media Budget: \$2,864,395

Voter Contact Tactical Category Total: \$4,542,310



VOTER CONTACT TACTICS TOTAL: \$4,542,310

Administrative tactics include all of those support mechanisms designed to foster the appropriate management of the proactive/environmental and voter contact tactics. This campaign will employ professional management and support teams that will be able to both administer the effort and respond to challenges and opportunities that emerge during the campaign. The tactics associated with this portion of the campaign are as follows:

Administrative/Management: We will employ an overall consultant/manager who will be responsible for the implementation of this campaign plan as well as the management of all of the other personnel and consultants associated with this effort.

Administrative/Management Budget: \$112,000

Accounting/Legal: We will employ both an accountant, to facilitate bookkeeping and compliance with state reporting laws, and legal support, to facilitate both local compliance and national industry requirements.

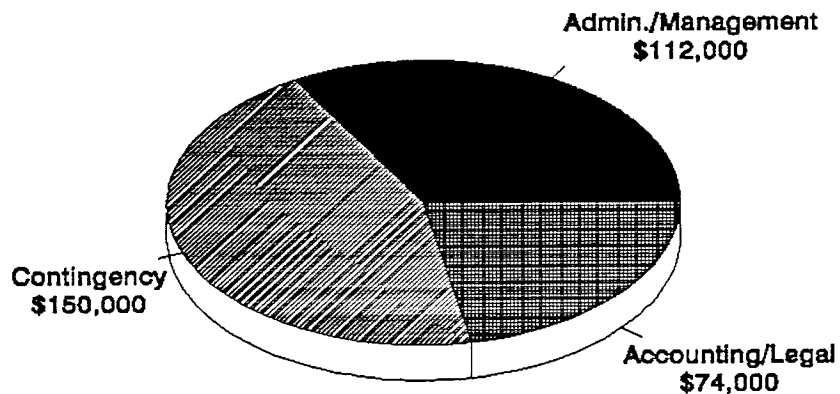
Accounting/Legal Budget: \$74,000

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Contingency: We have budgeted a relatively small amount of money to handle unforeseen expenses that may emerge during the campaign.

Contingency Budget: \$150,000

Administrative Tactical Category Total: \$336,000

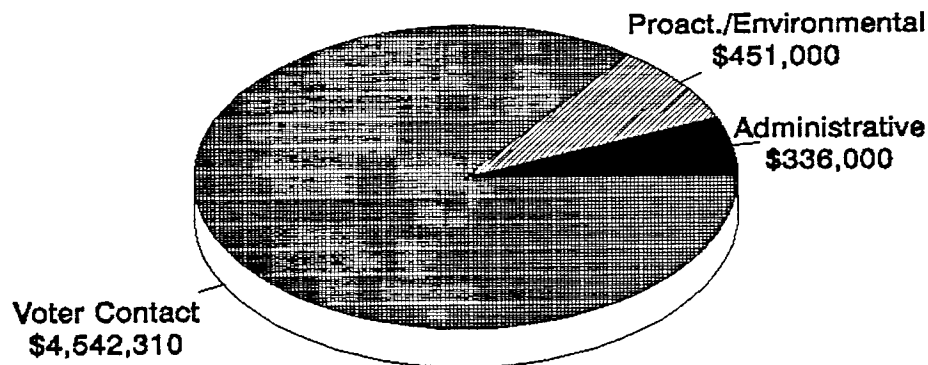


ADMINISTRATIVE TACTICS TOTAL: \$336,000

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Proactive/Environmental Tactical Category	\$ 451,000
Voter Contact Tactical Category	\$ 4,542,310
Administrative Tactical Category	\$ 336,000

GRAND TOTAL TACTICAL CATEGORIES BUDGET **\$ 5,329,310**



TACTICS TOTAL: \$5,329,310

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IMPORTANT NOTES

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Summary

The upcoming fight over the tobacco tax increase in Colorado presents the industry with one of its most serious challenges this year. With adequate funding to support the tactical approaches outlined in this plan, it is possible to fulfill our strategy. Our strategic plan involves motivating tobacco consumers to vote "no"; identifying persuadable voters and conveying the potential issues of waste, fraud and abuse to them in a manner which identifies with their natural proclivity to oppose taxes and distrust government; and garnering enough of the unreachable voters by raising enough concerns about the purpose and implementation of the measure that will supersede their natural inclination to support the initiative.

The Colorado Fair Share for Health initiative can be defeated with a full-fledged campaign and the ongoing involvement and support of the industry.

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IMPORTANT NOTES

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August 3, 1994

COLORADO PLAN/BUDGET DESCRIPTION & SUMMARY

CATEGORY	DESCRIPTION/GOAL	CALCULATION	TOTAL
ADMINISTRATION & OVERHEAD			
Management	Campaign Management Team - Oversee management of all campaign related activities including coordination of consultants, individual projects, daily administration of campaign activities and direction of personnel.	4 months at \$17,000 per month (August - November)	68,000
Staff	Office Manager - Maintain office supplies and equipment. Handle incoming calls, requests, etc.	4 months at \$4,000 per month (August - November)	16,000
Accounting	Consultant - Maintain financial records, cash flow analysis and accounts. Pay bills approved by industry.	4 Months at \$1,500 per month (August - November)	6,000
Overhead	Phones, fax machine, office space, etc.	4 months at \$2,000 per month	8,000
Travel	In state travel for campaign staff. Travel for out of state advisors.	4 months at \$5,000 per month	20,000
SUBTOTAL			118,000
LEGAL			
Flora & Bender	Facilitate appropriate legal challenges of opposition activities. Facilitate compliance with Colorado legal requirements. Review financial disclosure reports.	4 months at \$12,000 per month (August - November)	48,000
Flora & Bender	ASSIST /Department of Health Funds Lawsuit		50,000
Flora & Bender	Signature Challenge		50,000

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COLORADO PLAN/BUDGET DESCRIPTION & SUMMARY

CATEGORY	DESCRIPTION/GOAL	CALCULATION	TOTAL
LEGAL (Cont.)			
Covington & Burling	Provide industry clearance for all campaign legal activities.	4 months at \$5,000 per month	20,000
SUBTOTAL			168,000
RESEARCH			
Opinion	Provide public opinion analysis for strategic decision making including 2 benchmark surveys, 6 focus groups, 52 days of tracking.	1 brushfire survey 4 pairs of focus groups \$7,500 each 52 days of tracking \$2,250/day post election survey	15,000 30,000 117,000 25,000
Issue	Ongoing research to support campaign themes, documentation of campaign brochures, advertisements, etc.	4 months at \$6,000 per month	24,000
SUBTOTAL			211,000
EARNED MEDIA			
Spokesperson	Respond to media inquiries, organize schedule and facilitate spokespeople presentations from coalition allies. Draft and distribute news releases. Cultivate and encourage editorial support. Conduct news briefings on campaign issues, particularly those used in media messages.	4 months at \$10,000 per month	40,000
Clipping Service/ Broadcast Monitoring		4 months at \$1,500 per month	6,000
SUBTOTAL			46,000

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COLORADO PLAN/BUDGET DESCRIPTION & SUMMARY

CATEGORY	DESCRIPTION/GOAL	CALCULATION	TOTAL
COALITION BUILDING			
Consultants	Industry Consultants: obtain endorsements and support from various political, public opinion and constituent group leaders to broaden base of support for anti-tobacco tax coalition.	4 months at \$15,000 per month	60,000
Affected Industry Recruitment	Identification and recruitment of entire tobacco related economy, including retailers, wholesalers, suppliers, corporate partners, etc.	4 months at \$5,000 per month	20,000
Coalition Mailings	Obtain lists of various coalition allies for specific direct mail campaigns.		100,000
Coalition Speakers Bureau	Identify, train and schedule various individuals capable of credibly arguing opposition position apart from tobacco.		25,000
SUBTOTAL			205,000
PAID MEDIA			
TV & Radio Production	Net cost of production of 10 TV spots and 6 60-second radio spots.	10 TV spots at \$25,000 each 6 Radio Spots at \$7,500 each including expenses	250,000 45,000
TV & Radio Placement	Cost including commission for total 10,500 GRP television. 3,000 GRP radio during the last eight weeks of campaign. Commission to be split between purchasing agent and creative team.	\$138.99/GRP TV x 10,500 = \$1,459,395 \$277.50/GRP Radio x 3,000 = \$832,500	2,291,895 ^{*1}
Print	Cost of creative and space in major print media during final two weeks of campaign. ½ page display advertisement.	2 placements at \$138,750 each	277,500
SUBTOTAL			2,864,395

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COLORADO PLAN/BUDGET DESCRIPTION & SUMMARY

CATEGORY	DESCRIPTION/GOAL	CALCULATION	TOTAL
COLLATERAL MATERIAL			
	Sufficient printed materials (yard signs, coasters, brochures, bumper stickers, etc.) to support grassroots effort.	August - September	100,000
SUBTOTAL			100,000
DIRECT MAIL			
List Development	Obtain voter list, append with household phone numbers, append issue coalitions based on surveys, append Claritas cluster codes.	August (\$60,000 already spent)	15,000
Phone Bank Identification	Call every registered voter household to identify favorable supporters and persuadable voters using 3 - 4 issue push questions. Also ID smokers for separate mailing.	1,851,163 registered voters ÷ 1.7 = 1,088,919 households x 65% phone match = 707,798 x 65% complete = 460,068 x \$1.00/each	461,000
Consumer Registration	Merge unified consumer list with voter registration list to identify unregistered consumers. Mail registration information/procedures.	88,223 x \$0.50/piece	45,000
Voter Mailings	All registered voter household mail prior to phone bank ID	1,088,919 x \$0.45	491,000
	Undecided - Mail issue oriented piece to undecided voters based on response to issue push questions.	461,000 x 60% x \$0.45	124,470
	Consumer Activation - Contact all identified smokers with specific message aimed at 80% favorable turnout.	20% of ID Household consumers = 92,200 x \$0.45	41,490
Early Voter Program	Mail to voters who cast early ballots in previous election.	1,851,163 Registered Voters x 60% T.O. x 20% = 222,932 x \$.50/piece	111,470

COLORADO PLAN/BUDGET DESCRIPTION & SUMMARY

CATEGORY	DESCRIPTION/GOAL	CALCULATION	TOTAL
DIRECT MAIL (Cont.)			
Absentee Voter Program	Advocacy mail to favorable households encouraging them to vote absentee.	$461,000 \times 30\% \times \0.45	62,235
GOTV Mailing	Postcard encouragement to all favorable households and 80%+ favorable voter groups.	$461,000 \times 50\% \times \0.50	115,250
SUBTOTAL			1,466,915
CONTINGENCY			
Unforeseen Projects and Expenses		5% of other (\$50,000 already allocated)	150,000
SUBTOTAL			150,000
TOTAL			5,329,310

*¹ Colorado Media Schedule

	<u>TV</u>	<u>RADIO</u>
last weekend 11/5 - 11/8	1500 pts	400 pts
10/31 - 11/4	2000 pts	450 pts
10/24 - 10/30	2000 pts	300 pts
10/17 - 10/23	1000 pts	300 pts
10/10 - 10/16	750 pts	250 pts
10/3 - 10/9	1000 pts	300 pts
9/26 - 10/2	750 pts	250 pts
9/19 - 9/25	500 pts	250 pts
9/12 - 9/18	500 pts	250 pts
9/6 - 9/11	500 pts	250 pts
	10,500 pts	3,000 pts

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IMPORTANT NOTES

1994 COLORADO TAX INITIATIVE BUDGET

		Summary	1-Aug	8-Aug	15-Aug
Administration and Overhead					
	Campaign Mgmt Team	68,000			
	Office Manager	16,000			
	Accounting	6,000			
	Office Overhead	8,000			
	Travel	20,000			
	subtotal	118,000	0	0	0
Legal					
	Flora & Bender	48,000			
	Flora & Bender ASSIST	50,000			50,000
	Flora & Bender	50,000			50,000
	Covington & Burling	20,000			
	subtotal	168,000	0	0	100,000
Research					
	Public Opinion	187,000			
	Issue	24,000			
	subtotal	211,000	0	0	0
Earned Media					
	Spokesperson	40,000			
	Monitoring	6,000			
	subtotal	46,000	0	0	0
Coalition Building					
	Consultants	60,000			
	Affected Industry	20,000			
	Mailings	100,000	0		
	Speakers	25,000			
	subtotal	205,000	0	0	0
Paid Media					
	Production	295,000			
	TV Placement	1,459,395			
	Radio Placement	832,500			
	Print	277,500			
	subtotal	2,864,395	0	0	0
Collateral Material		100,000		25,000	
Direct Mail					
	List Development	15,000			
	Phone Bank ID	461,000	0	100,000	100,000
	Consumer Registration	45,000		45,000	
	All Voter HH Mail	491,000		491,000	
	Undecided Mail	124,470	0		17,000
	Consumer Activation	41,490			
	Early Voter Program	111,470			
	Absentee Voters	62,235			
	GOTV mailing	115,250			
	subtotal	1,466,915	0	636,000	117,000
Contingency		150,000			
Total		5,329,310	0	661,000	217,000
	cummulative total		0	661,000	878,000

1994 COLORADO TAX INITIATIVE BUDGET

		22-Aug	29-Aug	5-Sep	12-Sep
Administration and Overhead					
	Campaign Mgmt Team		17,000		
	Office Manager		4,000		
	Accounting		1,500		
	Office Overhead		2,000		
	Travel		5,000		
	subtotal	0	29,500	0	0
Legal					
	Flora & Bender		12,000		
	Flora & Bender ASSIST				
	Flora & Bender				
	Covington & Burling		5,000		
	subtotal	0	17,000	0	0
Research					
	Public Opinion			22,500	27,750
	Issue		6,000		
	subtotal	0	6,000	22,500	27,750
Earned Media					
	Spokesperson		10,000		
	Monitoring		1,500		
	subtotal	0	11,500	0	0
Coalition Building					
	Consultants		15,000		
	Affected Industry		5,000		
	Mailings			50,000	
	Speakers			12,500	
	subtotal	0	20,000	62,500	0
Paid Media					
	Production		35,000	65,000	
	TV Placement	208,485			
	Radio Placement	277,500			
	Print				
	subtotal	485,985	35,000	65,000	0
Collateral Material		25,000		25,000	
Direct Mail					
	List Development		15,000		
	Phone Bank ID	100,000	100,000	61,000	
	Consumer Registration				
	All Voter HH Mail				
	Undecided Mail	17,000	17,000	24,000	24,000
	Consumer Activation				
	Early Voter Program				
	Absentee Voters				
	GOTV mailing				
	subtotal	117,000	132,000	85,000	24,000
Contingency			50,000		
Total		627,985	301,000	260,000	51,750
	cummulative total	1,505,985	1,806,985	2,066,985	2,118,735

1994 COLORADO TAX INITIATIVE BUDGET

		19-Sep	26-Sep	3-Oct	10-Oct
Administration and Overhead					
	Campaign Mgmt Team		17,000		
	Office Manager		4,000		
	Accounting		1,500		
	Office Overhead		2,000		
	Travel		5,000		
	subtotal	0	29,500	0	0
Legal					
	Flora & Bender		12,000		
	Flora & Bender ASSIST				
	Flora & Bender				
	Covington & Burling		5,000		
	subtotal	0	17,000	0	0
Research					
	Public Opinion	21,000	21,000	13,500	13,500
	Issue		6,000		
	subtotal	21,000	27,000	13,500	13,500
Earned Media					
	Spokesperson		10,000		
	Monitoring		1,500		
	subtotal	0	11,500	0	0
Coalition Building					
	Consultants		15,000		
	Affected Industry		5,000		
	Mailings				
	Speakers		12,500		
	subtotal	0	32,500	0	0
Paid Media					
	Production	65,000		50,000	
	TV Placement	764,445			
	Radio Placement		277,500		277,500
	Print				
	subtotal	829,445	277,500	50,000	277,500
Collateral Material		25,000			
Direct Mail					
	List Development				
	Phone Bank ID				
	Consumer Registration				
	All Voter HH Mail				
	Undecided Mail	25,470			
	Consumer Activation		41,490		
	Early Voter Program	111,470			
	Absentee Voters				62,235
	GOTV mailing				
	subtotal	136,940	41,490	0	62,235
Contingency			50,000		
Total		1,012,385	486,490	63,500	353,235
	cummulative total	3,131,120	3,617,610	3,681,110	4,034,345

1994 COLORADO TAX INITIATIVE BUDGET

		17-Oct	24-Oct	31-Oct	7-Nov
Administration and Overhead					
	Campaign Mgmt Team			17,000	
	Office Manager			4,000	
	Accounting			1,500	
	Office Overhead			2,000	
	Travel			5,000	
	subtotal	0	0	29,500	0
Legal					
	Flora & Bender			12,000	
	Flora & Bender ASSIST				
	Flora & Bender				
	Covington & Burling			5,000	
	subtotal	0	0	17,000	0
Research					
	Public Opinion	13,500	13,500	13,500	2,250
	Issue			6,000	
	subtotal	13,500	13,500	19,500	2,250
Earned Media					
	Spokesperson			10,000	
	Monitoring			1,500	
	subtotal	0	0	11,500	0
Coalition Building					
	Consultants			15,000	
	Affected Industry			5,000	
	Mailings	50,000			
	Speakers				
	subtotal	50,000	0	20,000	0
Paid Media					
	Production	50,000		30,000	
	TV Placement	486,465			
	Radio Placement				
	Print	138,750	138,750		
	subtotal	675,215	138,750	30,000	0
Collateral Material					
Direct Mail					
	List Development				
	Phone Bank ID				
	Consumer Registration				
	All Voter HH Mail				
	Undecided Mail				
	Consumer Activation				
	Early Voter Program				
	Absentee Voters				
	GOTV mailing		115,250		
	subtotal	0	115,250	0	0
Contingency				50,000	
Total		738,715	267,500	177,500	2,250
	cummulative total	4,773,060	5,040,560	5,218,060	5,220,310

1994 COLORADO TAX INITIATIVE BUDGET

		14-Nov	21-Nov	28-Nov
Administration and Overhead				
	Campaign Mgmt Team			17,000
	Office Manager			4,000
	Accounting			1,500
	Office Overhead			2,000
	Travel			5,000
	subtotal	0	0	29,500
Legal				
	Flora & Bender			12,000
	Flora & Bender ASSIST			
	Flora & Bender			
	Covington & Burling			5,000
	subtotal	0	0	17,000
Research				
	Public Opinion			25,000
	Issue			6,000
	subtotal	0	0	31,000
Earned Media				
	Spokesperson			10,000
	Monitoring			1,500
	subtotal	0	0	11,500
Coalition Building				
	Consultants			15,000
	Affected Industry			5,000
	Mailings			
	Speakers			
	subtotal	0	0	20,000
Paid Media				
	Production			
	TV Placement			
	Radio Placement			
	Print			
	subtotal	0	0	0
Collateral Material				
Direct Mail				
	List Development			
	Phone Bank ID			
	Consumer Registration			
	All Voter HH Mail			
	Undecided Mail			
	Consumer Activation			
	Early Voter Program			
	Absentee Voters			
	GOTV mailing			
	subtotal	0	0	0
Contingency				
Total		0	0	109,000
	cummulative total	5,220,310	5,220,310	5,329,310

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IMPORTANT NOTES